

05-292

The Secretary of State presents her compliments to Their Excellencies and Messieurs the Chiefs of Mission and informs them of the changes in the Department's policy regarding procedures for authorizing foreign missions and their members the privilege of duty and tax-free purchasing at U.S. Customs and Border Protection approved bonded warehouse facilities.

The information enclosed with this note outlines newly revised procedures associated with the authorization of duty and tax-free purchases at bonded warehouse facilities. These new procedures will go into effect January 17, 2006. Several changes to this process have been implemented, including a prohibition against designating form DS-1504 "Request for Customs Clearance of Merchandise" as **Official and Personal**. All such requests must be marked as either **Official** or **Personal**. In addition, requests designating the consignee as an individual "and all others so entitled" will no longer be accepted.

More information on the Department's tax and customs programs is available on the Office of Foreign Missions' (OFM) website at www.state.gov/ofm/. If foreign missions have further questions concerning this issue, they should contact the Office of Foreign Missions' Tax and Customs Programs by telephone at (202) 895-3500 or by electronic mail at ofmtaxcustoms@state.gov.

Enclosure: Bonded Warehouse Requests portion of the *Guidance for Administrative Officers* handbook.

Department of State,

Washington, DEC 14 2005

A handwritten signature in black ink, consisting of a stylized 'S' followed by a flourish.

4.5 Bonded Warehouse Requests

DS-1504 requests associated with orders from bonded warehouse facilities may be submitted to OFM if such requests are intended for the official benefit of eligible foreign missions and international organizations or for the personal use of their eligible members. Such articles include, but are not limited to alcoholic beverages, tobacco products, and foodstuffs.

OFM reserves the right to impose quantitative restrictions on foreign missions or their members on the basis of reciprocity. In general, OFM expects responsible senior officials of all eligible bilateral missions and international organizations to screen such requests for reasonableness of quantity and frequency of submission. All bonded warehouse facility merchandise listed on any form DS-1504 request must be available for the consignee to take possession of immediately.

Foreign missions, international organizations and their eligible members may obtain consumables (with the exception of those prohibited by law) free of duty and any applicable tax, whether imported directly from abroad or withdrawn from bonded warehouse facilities.

Personal Goods Request

Eligible members of foreign missions and international organizations wishing to obtain duty and tax-free purchases from a bonded warehouse facility must adhere to the following procedures:

- Eligible mission/organization members must first obtain form DS-1504 from the mission or organization management office or from OFM's Internet website (www.state.gov/ofm/).
- The mission/organization member must provide accurate information in the following boxes: (1) *Name of Embassy, Legation, or Int'l Org.*, (2) *Port of*

Clearance, (3) *Consignee's Name & Title*¹, (4) *Purpose*², (5) *Personal Identification Number*, (6) *Carrier/Supplier* (i.e. name of bonded warehouse facility and its address).

DESCRIPTION OF MERCHANDISE

(7) Merchandise bond or item number, (8) Item description (i.e. Cabernet Sauvignon), (9) Order size³, (10) Quantity of merchandise requested, (11) *Statement of Purpose*, (12) Delivery address of merchandise⁴, (13a) Requests for International Organization members must have the signature and date of the agencies authorized representative, (13b) Bilateral mission members must have their mission's official seal, the initials of the authorized mission representative and the date of the action affixed to each page of the form.

- Once the required information is provided on the form, the foreign mission or international organization to which the individual is assigned must submit the request to OFM for certification.
- If the consignee is eligible for this privilege, their form DS-1504 is completed correctly and the request is determined to be of a reasonable quantity, OFM will certify that the consignee is eligible for the privilege of duty-free entry.

¹ OFM will no longer approve form DS-1504 requests that include the phrase "and all others so entitled." All eligible individuals must submit their own form DS-1504 listing them as the consignee along with the merchandise they wish to obtain tax and duty-free.

² OFM will no longer approve form DS-1504 requests associated with bonded warehouse merchandise for the purpose of ***Official and Personal***. All bonded warehouse merchandise requests must be marked as ***Official or Personal***.

³ Order sizes must be expressed in the following ways: **Beer** = # of cases, **Cigars** = # of boxes, **Cigarettes** = # of cartons, **Electronics** = # of items, **Fragrance** (perfume/cologne) = # of bottles, **Liquor** (spirits/liqueurs) = # of bottles, **Sodas** = # of cases, **Sweets** (chocolates) = # of boxes, **Tobacco** (chewing) = # of pouches/cans, **Water** = # of cases, **Wine** (includes champagnes/sparkling wines) = # of bottles.

⁴ The delivery address must be either the consignee's home or that of the foreign mission/international organization to which he/she is assigned.

Official Goods Request

Eligible foreign missions and international organizations wishing to obtain duty and tax-free purchases from a bonded warehouse facility intended for official use should adhere to the following procedures:

- Eligible missions/organization must first obtain form DS-1504 from the mission or organization management office or from OFM's Internet website (www.state.gov/ofm/).
- The mission/organization member must provide accurate information in the following boxes: (1) *Name of Embassy, Legation, or Int'l Org.*, (2) *Port of Clearance*, (3) *Consignee's Name & Title*⁵, (4) *Purpose*⁶, (5) Chief of Mission's *Personal Identification Number*, (6) *Carrier/Supplier* (i.e. name of bonded warehouse facility and its address).

DESCRIPTION OF MERCHANDISE

(7) Merchandise bond or item number, (8) Item description (i.e. Cabernet Sauvignon), (9) Order size⁷, (10) Quantity of merchandise requested, (11) Statement of Purpose, (12) Delivery address of merchandise⁸, (13a) Requests for International Organization members must have the signature and date of the agencies authorized representative, (13b) Bilateral mission members must have their mission's

⁵ OFM will only certify form DS-1504 requests designated for Official bonded warehouse merchandise, when the consignee is listed as the foreign mission or international organization's chief of mission.

⁶ OFM will no longer approve form DS-1504 requests associated with bonded warehouse merchandise for the purpose of *Official and Personal*. All bonded warehouse merchandise requests must be marked as **Official** or **Personal**.

⁷ Order sizes must be expressed in the following ways: **Beer** = # of cases, **Cigars** = # of boxes, **Cigarettes** = # of cartons, **Electronics** = # of items, **Fragnance** (perfume/cologne) = # of bottles, **Liquor** (spirits/liqueurs) = # of bottles, **Sodas** = # of cases, **Sweets** (chocolates) = # of boxes, **Tobacco** (chewing) = # of pouches/cans, **Water** = # of cases, **Wine** (includes champagnes/sparkling wines) = # of bottles.

⁸ The delivery address must be either the consignee's home or that of the foreign mission/international organization to which he/she is assigned.

official seal, the initials of the authorized mission representative and the date of the action affixed to each page of the form.

- Once the required information is provided on the form, the foreign mission or international organization to which the individual is assigned must submit the request to OFM for certification.
- If the consignee is eligible for this privilege, their form DS-1504 is completed correctly and the request is determined to be a reasonable quantity, OFM will certify the submission thereby authorizing the bonded warehouse facility to complete the transaction.

Drafted by:

DS/OFM/TC: Irina Kaufman




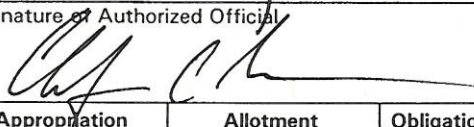
12/08/2005

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Clearances:

DS/OFM:	JGaddis
DS/OFM:	JArndt
DS/OFM/TC:	CSeagroves
L/DL:	SBenda
AF/EX:	SNolan
EAP/EX:	LHedgebeth
EUR/EX:	MCampbell
NEA/SA/EX:	EAlford
WHA/EX:	JEPowell
S/ES-CR:	NChagnon



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Drafted by: DS/OFM/VTC/TC:

Irina Kaufman



08-10-2005

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Clearances: DS/OFM:

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